GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1002
ANSWERED ON:21.07.2017
Action on Shell Companies
Senthilnathan Shri PR.

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government has cancelled the registration of shell companies with no proper business or with fake addresses in the country;

(b) if so, the number of such shell companies whose registration got removed, State/UT-wise;

(c) whether these shell companies are mostly connected with wholesale trading and real estate business and are used for converting black money into white and the details thereof; and

(d) whether the Government is taking any action against these companies and if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE (SHRI ARJUN RAM MEGHWAL)
MINISTRY OF CORPORATE AFFAIRS

(a) to (d): The term Shell Company is not defined under the Companies Act. However, the Registrars of Companies (ROCs) have removed 1,62,618 companies from the register of companies as of 12.07.2017 after following the due process under section 248 of the Companies Act, 2013 as detailed in Annexure-1 maintained by the Ministry as per the respective ROCs.
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